

Message Text

CONFIDENTIAL

PAGE 01 LISBON 00488 01 OF 02 231005Z

10

ACTION EUR-12

INFO OCT-01 ARA-06 IO-11 ISO-00 CIAE-00 PM-04 H-02 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

SAM-01 SAJ-01 AF-06 OPIC-03 OPR-02 COME-00 EB-07

LAB-04 SIL-01 /101 W

----- 120370

R 230642Z JAN 76

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 5760

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

USMISSION GENEVA

AMEMBASSY LONDON

AMEMBASSY MADRID

AMCONSUL OPORTO

AMEMBASSY OSLO

AMEMBASSY PARIS

AMCONSUL PONTA DELGADA

AMEMBASSY ROME

AMEMBASSY STOCKHOLM

USMISSION NATO

DIA WASHDC

USCINCEUR VAIHINGEN GER

AMEMBASSY COPENHAGEN

AMEMBASSY CARACAS

C O N F I D E N T I A L SECTION 1 OF 2 LISBON 0488

E.O. 11652: XGDS-4

TAGS: ELAB, PINT, PO

SUBJ: STRUGGLE HEATS UP FOR CONTROL OF LABOR MOVEMENT

REF: (A) LISBON 0359 (DTG 161659 JAN 76), (B) LISBON 400

(DTG 2010009 JAN 76), (C) LISBON 449 (DTG 2117272 JAN 76)

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 00488 01 OF 02 231005Z

1. SUMMARY: RECENT DEVELOPMENTS HAVE REINFORCED THE POSTIONS

ADOPTED BY THE FACTIONS CONTENDING FOR CONTROL OF ORGANIZED LABOR. ON ONE SIDE, INDIVIDUAL NON-COMMUNIST UNIONS AND THE MINISTRY OF LABOR HAVE STRENGTHENED THEIR COMMON OPPOSITION TO THE COMMUNIST PARTY (PCP)-CONTROLLED CONFEDERATION, INTERSINDICAL. THE COMMUNISTS, ON THE OTHER SIDE, RETAIN SIGNIFICANT ASSETS AND EXPECT BENEFIT FROM RISING LABOR DISCONTENT OVER THE GOVERNMENT'S AUSTERITY PROGRAM. THEY ARE HAMPERED, HOWEVER, BY REVELATIONS OF THEIR INVOLVEMENT IN THE NOVEMBER 25 ATTEMPTED COUP. END SUMMARY.

2. DEVELOPMENTS WITHIN NON-PCP UNIONS: BURSTS OF GUNFIRE DURING A TWO-HOUR STRIKE BY LISBON RETAIL WORKERS LEFT ONE DEAD AND SIX WOUNDED JANUARY 21 (REF A). THE 42,000 MEMBER COMMERCIAL WORKERS UNION WAS DEMANDING THAT THE RETAILER'S ASSOCIATION RESUME COLLECTIVE BARGAINING FOR A NEW CONTRACT. THE RETAILERS MAINTAIN THEY ARE PREVENTED FROM DOING SO BY THE GOVERNMENT'S FREEZE ON CONTRACT NEGOTIATIONS. THE STRIKE CALL WAS WIDELY OBSERVED AMONG THE LARGER, UNIONIZED BUSINESS ESTABLISHMENTS BUT WAS IGNORED BY MANY SMALLER SHOPS IN OUTLYING AREAS.

3. THE COMMERCIAL WORKERS UNION IS LED BY A MIXED GROUP FROM THE SOCIALIST PARTY AND FROM BASE-UNITED WORKERS FRONT (BASE-FUT). (SEE REF B, PARA 5 FOR COMMENTS ON BASE-FUT). THE COMMERCIAL WORKERS SECRETARY-GENERAL JOSE DIAS RODRIGUEZ IS A BASE-FUT LEFT-WINGER WHO HAS PREVIOUSLY BEEN IDENTIFIED WITH A LATIN AMERICAN REVOLUTIONARY GROUP IN LISBON. HOWEVER, INDICATIONS ARE THAT THE VIOLENCE WAS PRECIPITATED BY UNEMPLOYED YOUTHS AND STREET GANGS RATHER THAN ENFORCEMENT EFFORTS BY THE STRIKERS.

4. DEVELOPMENTS WITHIN INTERSINDICAL: THE CONFEDERATION HELD A TWO-DAY PLENARY SESSION IN CAIMBRA JAN 16-17. FOLLOWING THE SESSION, WHICH WAS CLOSED TO THE PRESS, INTERSINDICAL ANNOUNCED THAT IT WAS DEMANDING THAT THE GOVERNMENT ROLL BACK PRICES TO THEIR PRE-NOVEMBER 25, 1975 LEVEL OR FACE THE POSSIBILITY OF A GENERAL STRIKE. THERE ARE ALREADY REPORTS THAT INTERSINDICAL IS PROMOTING A NATION-WIDE PROTEST STRIKE FOR FEBRUARY 15.

5. THE PUBLICATION OF THE GOVERNMENT INVESTIGATIVE COMMISSION'S REPORT DOCUMENTING INSTANCES OF INVOLVEMENT IN THE ATTEMPTED COUP OF NOV 25 BY INTERSINDICAL, INDIVIDUAL UNIONS, AND THE WORKERS COMMISSION OF THE LISBON INDUSTRIAL BELT, HAS PROVOKED LITTLE SURPRISE. HOWEVER, THE IDENTIFICATION OF THESE ORGANIZATIONS IN THE ATTEMPTED COUP IS FURTHER PROOF OF THEIR POLITICAL ORIENTATION. MINISTER TOMAS ROSA EARLIER INDICATED PRIVATELY THAT INTERSINDICAL'S INVOLVEMENT IN THE COUP WOULD AID HIS EFFORTS TO REMOVE

CONFIDENTIAL

PAGE 03 LISBON 00488 01 OF 02 231005Z

SIONS'S REPORT DOCUMENTING INSTANCES OF INVOLVEMENT IN THE ATTEMPTED COUP OF NOV 25 BY INTERSINDICAL, INDIVIDUAL UNIONS, AND THE WORKERS COMMISSION OF THE LISBON INDUSTRIAL BELT, HAS PROVOKED LITTLE SURPRISE. HOWEVER, THE IDENTIFICATION OF THESE ORGANIZATIONS IN THE ATTEMPTED COUP IS FURTHER PROOF OF THEIR POLITICAL ORIENTATION. MINISTER TOMAS ROSA EARLIER INDICATED PRIVATELY THAT INTERSINDICAL'S INVOLVEMENT IN THE COUP WOULD AID HIS EFFORTS TO REMOVE

LEGAL RECOGNITION FROM THE CONFEDERATION.

6. EFFORTS BY NON-PCP UNIONS TO OPPOSE INTERSINDICAL'S LEADERSHIP: IN AN IMPORTANT DEVELOPMENT THE SOUTHERN BANK WORKERS, WHICH INCLUDES THE LISBON AREA, VOTED BY A 2 TO 1 MAJORITY TO REMAIN WITHIN INTERSINDICAL IN ORDER TO WORK FROM WITHIN IN FAVOR OF A REPRESENTATIVE, DEMOCRATIC CONFEDERATION. THE VOTE SUPPORTED THE RECOMMENDATION OF THE SOCIALIST-CONTROLLED BANK WORKERS LEADERSHIP AND PRESAGES SIMILAR EFFORTS BY OTHER NON-COMMUNIST UNIONS.

7. TWELVE UNIONS PRESENT AT THE INTERSINDICAL PLENARY MEETING IN COIMBRA SUPPORTED SEATING THE ANTI-PCP PHARMACEUTICAL WORKERS IN OPPOSITION TO THE RULING BY INTERSINDICAL. THOSE IN OPPOSITION INCLUDED THE JEWELERS, DRAFTSMEN, COMMERCIAL, CLERICAL, BANK, AND INSURANCE UNIONS OF LISBON.

8. A GROUP OF SEVEN NORTHERN UNIONS HAVE SUPPORTED THE GOVERNMENT'S AUSTERITY PROGRAM IN A POLICY STATEMENT DIRECTLY OPPOSING THE INTERSINDICAL LINE. THE SEVEN INCLUDED THE CHEMICALS, DRAFTSMEN, CLERICALS, RETAIL CLERKS, CHAUFFEURS, ELECTRICALS, AND TELEPHONE WORKERS. THE NORTHERN TEACHERS UNION HAS ELECTED A SOCIALIST/POPULAR DEMOCRATIC/MRPP LEADERSHIP BY NEARLY 80 PERCENT OF THE 12,000 VOTES CAST.

CONFIDENTIAL

NNN

CONFIDENTIAL

PAGE 01 LISBON 00488 02 OF 02 230930Z

10

ACTION EUR-12

INFO OCT-01 ARA-06 IO-11 ISO-00 CIAE-00 PM-04 H-02 INR-07

L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15 USIA-06

SAM-01 SAJ-01 AF-06 OPIC-03 OPR-02 COME-00 EB-07

LAB-04 SIL-01 /101 W

----- 119936

R 230642Z JAN 76

FM AMEMBASSY LISBON

TO SECSTATE WASHDC 5761

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

USMISSION GENEVA
AMEMBASSY LONDON
AMEMBASSY MADRID
AMCONSUL OPORTO
AMEMBASSY OSLO
AMEMBASSY PARIS
AMCONSUL PONTA DELGADA
AMEMBASSY ROME
AMEMBASSY STOCKHOLM
USMISSION NATO
DIA WASHDC
USCINCEUR VAIHINGEN GER
AMEMBASSY COPENHAGEN
AMEMBASSY CARACAS

C O N F I D E N T I A L SECTION 2 OF 2 LISBON 488

9. DEVELOPMENTS WITHIN MINISTRY OF LABOR: MINISTER OF
LABOR TOMAS ROSA IS CONTINUING TO CONSOLIDATE HIS POSITION
WITHIN THE MINISTRY. THE MINISTRY IS
CURRENTLY ATTEMPTING TO FORMULATE AN OVERALL WAGE
POLICY, CARRY OUT A STRUCTURAL REORGANIZATION, AND POSSIBLY
INSTITUTE A WAGE FREEZE ON ALL PERSONS EARNING MORE THAN
360 DOLLARS PER MONTH. THE OVERALL WAGE POLICY SHOULD BE
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 LISBON 00488 02 OF 02 230930Z

READY FOR PRESENTATION BY THE END OF FEBRUARY SO THAT THE
GOVERNMENT WILL HAVE A COHERENT PROGRAM WHEN THE CURRENT
FREEZE ON COLLECTIVE BARGAINING ENDS FEB 29.

10. THE STRUCTURAL REORGANIZATION OF THE MINISTRY IS MORE
APPARENT THAN REAL, BUT IS A DISGUISED METHOD OF REPLACING
PCP ADHERENTS WITHIN THE MINISTRY. INTERSINDICAL HAS
REPEATEDLY ATTACKED MINISTER TOMAS ROSA FOR HIS "PURGES OF
THE LEFT" AND HAS RECENTLY ACCUSED HIM OF REPLACING SIX
"PROGRESSIVE" REGIONAL DIRECTORS OF LABOR, INCLUDING THOSE
AT BRAGA AND COIMBRA.

11. THE WISDOM OF A PROPOSAL TO FREEZE ALL WAGES ABOUT 360
DOLLARS A MONTH IS STILL BEING DEBATED WITHIN THE MINISTRY.
SOME ARGUE THAT THERE IS ALREADY TOO LITTLE INCENTIVE FOR
WORKERS TO SEEK MORE SKILLED JOBS AS THE SMALL INCREASED
INCOME DOES NOT COMPENSATE FOR THE ADDITIONAL RESPONSIBILITIES.

12. MINISTER TOMAS ROSA IS ALSO INVESTIGATING THE ACTIVITIES
OF FORMER MINISTER OF LABOR COSTA MARTINS. PLANTED PRESS
ARTICLES REPORT THAT COSTA MARTINS DEPOSITED 3,200,000 DOLLARS
DONATED BY PORTUGUESE WORKERS WHO GAVE "A DAY'S LABOR TO THE
NATION" TO HIS PERSONAL ACCOUNT AND THAT THERE IS NO RECORD
OF THE EXPENDITURES. (COSTA MARTINS IS STILL A FUGITIVE FOR

HIS PARTICIPATION IN THE ATTEMPTED COUP OF NOV 25.)

13. COMMENT: THERE IS AN INCREASING WILLINGNESS OF NON-PCP UNIONS TO TAKE STANDS IN OPPOSITION TO INTERSINDICAL. THIS WILLINGNESS IS NOT YET MATCHED BY THEIR ABILITY TO MAKE THEIR OPPOSITION EFFECTIVE AND IS HAMPERED BY A LACK OF COORDINATION BETWEEN ANTI-PCP UNIONS IN THE OPORTO AND THE LISBON AREAS.

14. SOME OBSERVERS ARE STILL UNDECIDED WHETHER IT IS MORE PRODUCTIVE TO ATTACK PCP CONTROL OF INTERSINDICAL FROM WITHIN THE CONFEDERATION, OR TO CREATE A COMPETING ORGANIZATION WHILE ATTEMPTING TO DESTROY INTERSINDICAL'S EFFECTIVENESS. THE LISBON BANK WORKERS DECISION TO REMAIN WITHIN INTERSINDICAL TO OPPOSE ITS LEADERSHIP REINFORCES A DEFINITE TREND TOWARD THIS STRATEGY. MOST EUROPEAN LABOR REPRESENTATIVES AND PARTICULARLY THOSE FROM THE UK, NORWAY, AND THE FRG ENDORSE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 LISBON 00488 02 OF 02 230930Z

THIS POLICY AND OPPOSE ACTIVITY WHICH WOULD RESULT IN A DIVIDED LABOR MOVEMENT IN PORTUGAL.
CARLUCCI

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: UNION GOVERNMENT RELATIONS, DIPLOMATIC DISCUSSIONS, COMMUNISTS, LABOR UNIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LISBON00488
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: X4
Errors: N/A
Film Number: D760026-0280
From: LISBON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760128/aaaaayls.tel
Line Count: 249
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 LISBON 359, 76 LISBON 400
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 15 JAN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <15 JAN 2004 by morefirh>; APPROVED <03 AUG 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: STRUGGLE HEATS UP FOR CONTROL OF LABOR MOVEMENT
TAGS: ELAB, PINT, PO
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006